

# Private Medical Insurance - UK - October 2019

Report Price: £2195 | \$2995 | €2600

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## This report looks at the following areas:

- Virtual GPs are a welcome addition; consumers need convincing
- Mental health cover is welcomed by consumers, and offers scope for further product development

The private medical insurance market (PMI) declined by 3% in 2019, due to a fall in revenue from individual policies. Providers have struggled to both retain and attract customers to the individual market, with the price of PMI putting it out of reach of the vast proportion of the population. The market is therefore over reliant on corporate policies, which have shown steady growth over the last few years.

NHS services have been under increased pressure for a number of years, with waiting times and GP closures at a record high. However, this is yet to have a knock-on effect on the PMI market. Consumers remain more likely to take their chances and self-pay for treatment if needed, while the majority are happy to rely on NHS services.

There have been significant developments in the PMI market. The introduction of comprehensive mental health cover is a well-overdue addition, whilst the introduction of virtual GP services have made it easier than ever for consumers to engage with their health. New benefits which encourage consumers to maintain their health and wellbeing are also welcomed by consumers.



“The PMI market remains over reliant on corporate policies, with individual policies declining for a number of years. Health and wellbeing initiatives and the rewards associated with this have been successful in increasing engagement, particularly among younger consumers.”  
– Douglas Kitchen, Financial Services Analyst

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### OVERVIEW

- **What you need to know**
- **Products covered in this Report**

### EXECUTIVE SUMMARY

- **The market**
- **The PMI market declines in 2018**  
Figure 1: PMI, Estimated gross earned premiums, 2015-19
- **Minimal growth forecast over the next five years**  
Figure 2: Forecast of PMI gross earned premiums, at current prices – Fan chart, 2014-24
- **Claims data suggests improved profitability across the market**
- **NHS waiting lists continue to grow**  
Figure 3: Number of NHS patients waiting for diagnostic tests and procedures, and proportion who are waiting over six weeks (monthly basis) – England, January 2011-May 2019
- **Companies and brands**
- **Bupa accounts for an estimated 39% of the PMI market**  
Figure 4: Estimated market share of the PMI Market, 2018
- **Mental health a key focus for the larger brands**
- **Virtual GP services are rolled out to the individual market**
- **Adspend increases by over 10% in 2018/19**  
Figure 5: Above-the-line, online display and direct mail advertising expenditure on private healthcare insurance, 2018/19\*
- **The consumer**
- **One in four shows interest in individual PMI**  
Figure 6: Interest in health cover, August 2019
- **Consumers find it hard to understand what is covered by PMI**  
Figure 7: Attitudes towards private health insurance, August 2019
- **Over 80% are happy to rely on the NHS**  
Figure 8: Attitudes towards healthcare among non-insurance holders, August 2019
- **Specialist treatments most appeal to those interested in PMI**  
Figure 9: Interest in PMI benefits, August 2019
- **Consumers are unconvinced by virtual GPs**  
Figure 10: Attitudes towards virtual GP services, August 2019
- **What we think**

### What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

### Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

ISSUES AND INSIGHTS

- **Virtual GPs are a welcome addition; consumers need convincing**
- **The facts**
- **The implications**
- **Mental health cover is welcomed by consumers, and offers scope for further product development**
- **The facts**
- **The implications**

THE MARKET – WHAT YOU NEED TO KNOW

- **The PMI market declines in 2018**
- **Minimal growth forecast over the next five years**
- **Claims data suggests improved profitability across the market**
- **NHS waiting lists continue to grow**
- **The NHS continues its digital transformation**

MARKET SIZE AND FORECAST

- **Slight decline in the PMI market in 2018**  
Figure 11: PMI, estimated gross earned premiums, 2015-19
- **The PMI market grows more reliant on corporate business**  
Figure 12: Segmentation of PMI, by policyholder type, 2015-18
- **Little change expected in the PMI market over the next five years**  
Figure 13: Forecast of PMI gross earned premiums, at current prices – Fan chart, 2014-24  
Figure 14: Market size and forecast for estimated gross earned premiums, at current and constant prices, 2014-24
- **Forecast methodology**

MARKET DRIVERS

- **Improved profitability across the medical expense insurance market**  
Figure 15: Medical expenses insurance – Claims and underwriting ratios (ABI members only), 2016-18
- **Positive economic conditions for the PMI market...  
...but uncertainty looms**  
Figure 16: GDP per head at current market prices, real household disposable income per head, consumer price inflation and average wage growth, Q1 2015-Q1 2019
- **Preventing future issues is a major driver behind improving health and wellbeing**
- **Waiting times continue to rise...**

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



Report Price: £2195 | \$2995 | €2600

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 17: Number of NHS patients waiting for diagnostic tests and procedures, and proportion who are waiting over six weeks (monthly basis) – England, January 2011–May 2019

- **...while GP practices are closing and are pushed for time**

Figure 18: Total number of GP practices vs total number of minutes available per patient per year, September 2015–March 2019

- **The NHS is continuing its digital transformation**

### COMPANIES AND BRANDS – WHAT YOU NEED TO KNOW

- **Bupa accounts for 39% of the PMI market...**
- **...while VitalityHealth performs strongest in individual sales**
- **Mental health a key focus for the larger brands**
- **Virtual GP services are rolled out to the individual market**
- **Established brands and challengers offer affordable solutions to PMI**
- **Adpsend increases by over 10% in 2018/19**

### MARKET SHARE

- **Bupa accounts for close to 40% of the PMI market**
- **AXA indicates significant growth in 2018**
- **Aviva’s revenue declines in 2018**
- **VitalityHealth bucks the market trend**

Figure 19: Estimated market share of the PMI market, 2018

### COMPETITIVE STRATEGIES AND INNOVATION

- **Large brands focus on mental health cover developments**
- **With Bupa and VitalityHealth at the forefront**
- **Aviva adds addictions to its employee offering**
- **Other developments in mental health and wellbeing**
- **New solutions help reduce the cost of PMI**
- **Through established brands**
- **And new challengers**
- **Virtual GP services are rolled out to the individual market**
- **Amazon continues its shift into the healthcare market**

### ADVERTISING AND MARKETING ACTIVITY

- **VitalityHealth drives the increase in adspend in 2018/19**

Figure 20: Above-the-line, online display and direct mail advertising expenditure on private healthcare insurance, by advertiser, 2018/19\*

- **Direct mail and radio account for over 40% of total adspend**

### What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

### Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £2195 | \$2995 | €2600

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 21: Above-the-line, online display and direct mail advertising expenditure on private healthcare insurance, by media type, 2018/19\*

- Nielsen Ad Intel coverage

**THE CONSUMER – WHAT YOU NEED TO KNOW**

- Consumer confusion surrounding PMI ownership
- A quarter show interest in individual PMI
- Consumers find it hard to understand what is covered by PMI
- Over 80% are happy to rely on the NHS
- Specialised treatments most appeal to those interested in PMI
- Consumers are unconvinced by virtual GPs

**INTEREST IN ARRANGING HEALTH INSURANCE**

- A quarter are interested in PMI that they arrange themselves

Figure 22: Interest in health cover, August 2019

- Younger couples with and without children are most interested

Figure 23: Interest in PMI which people arrange themselves, by lifestage, August 2019

**ATTITUDES TOWARDS PRIVATE HEALTH INSURANCE**

- The majority find health insurance difficult to understand...  
...and are wary that added extras are pushing up costs

Figure 24: Attitudes towards private health insurance, August 2019

- Price is a major barrier for those interested in health cover

Figure 25: Agreement with attitudes towards private health insurance, by ownership & interest in PMI or limited cover policies, August 2019

- Under-45s are more likely to be looking for health and wellbeing support

Figure 26: PMI – CHAID – Tree output, August 2019

**HEALTH INSURANCE ALTERNATIVES**

- Over 80% are happy to rely on the NHS

Figure 27: Attitudes towards healthcare among non-insurance holders, August 2019

- Higher earners more likely to self-pay...

Figure 28: Attitudes towards healthcare among non-insurance holders, by household income, August 2019

**What's included**

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

**Did you know?**

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Report Price: £2195 | \$2995 | €2600

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **...as well as those interested in taking out a policy**

Figure 29: Attitudes towards healthcare among non-insurance holders, by interest in health cover, August 2019

### INTEREST IN PMI BENEFITS

- **Healthcare features remain core to PMI proposition**
- **Specialised treatments can convince those interested in PMI...**
- **...while rewards for living a healthy lifestyle are becoming increasingly influential**

Figure 30: Interest in PMI benefits, August 2019

- **Mental health cover appeals to one in four**
- **Specific benefits can be used to target particular customers**

Figure 31: Interest in PMI benefits, by generation, August 2019

### ATTITUDES TOWARD VIRTUAL GP SERVICES

- **Significant concerns about the effectiveness of virtual GP services**

Figure 32: Attitudes towards virtual GP services, August 2019

- **Those interested in cover have less concerns about Virtual GPs**

Figure 33: Agreement with attitudes towards virtual GP services, by ownership & interest in PMI, August 2019

### APPENDIX – DATA SOURCES, ABBREVIATIONS AND SUPPORTING INFORMATION

- **Abbreviations**
- **Consumer research methodology**
- **CHAID analysis methodology**

Figure 34: Private Medical Insurance – CHAID – Table output, August 2019

### APPENDIX – MARKET SIZE AND FORECAST

Figure 35: Forecast of estimated PMI gross earned premiums, at current prices – best and worst case, 2019-2024

- **Forecast methodology**

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

### Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



## About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.